

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
PRIORITY MAIL CONTRACT 237 (MC2016-192)
NEGOTIATED SERVICE AGREEMENT

Docket No. CP2016-275

**NOTICE OF UNITED STATES POSTAL SERVICE OF
AMENDMENT TO PRIORITY MAIL CONTRACT 237,
WITH PORTIONS FILED UNDER SEAL
(July 20, 2017)**

The Postal Service hereby provides notice that the terms of Priority Mail Contract 237, in the above-captioned proceeding, have changed as contemplated by the contract's terms. A redacted version of Amendment No. 2 to Priority Mail Contract 237 is provided in Attachment A, and the unredacted amendment is being filed under seal. The amendment will become effective two business days following the day that the Commission completes its review of this filing.

The Postal Service is also filing supporting financial documentation and a certified statement as required by 39 C.F.R. § 3015.5. The certification required by 39 C.F.R. § 3015.5(c)(2) is provided in Attachment B. A redacted version of the supporting financial documentation is included with this filing as a separate Excel file. The Postal Service hereby incorporates by reference the Application for Non-Public Treatment originally filed in this docket, for the protection of the customer-identifying information that has been filed under seal.

Respectfully submitted,

UNITED STATES POSTAL SERVICE
By its attorneys:

David H. Rubin
Acting Chief Counsel
Pricing and Product Support

Elizabeth A. Reed
Maria W. Votsch

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
(202) 268-6525, Fax -6187
maria.w.votsch@usps.gov
July 20, 2017

ATTACHMENT A

REDACTED AMENDMENT TO PRIORITY MAIL CONTRACT 237

[REDACTED]

**AMENDMENT #2
OF
SHIPPING SERVICES CONTRACT
BETWEEN
THE UNITED STATES POSTAL SERVICE
AND
[REDACTED]
[REDACTED]
REGARDING
PRIORITY MAIL SERVICE**

WHEREAS, the United States Postal Service ("the Postal Service") and [REDACTED] ("Customer"), entered into a Shipping Services Contract, Priority Mail Contract 237/Docket No. CP2016-275, regarding Priority Mail Service on August 16, 2016.

WHEREAS, the Parties desire to amend the terms in Sections I.D., I.E., I.G., and delete Tables B, C, D and E of the Contract.

NOW, THEREFORE, the Parties agree that the contract is hereby amended as detailed below. The existing contract remains unchanged in all other respects. This amendment shall become effective two (2) business days following the day on which the Commission issues all necessary regulatory approval.

[Replace Sections I.D., I.E. and I.G., in their entirety, and to add Table 1, as follows.]

I. Terms

- D. The Postal Service will provide Customer with standard Priority Mail Flat Rate packaging only.
- E. Volume Commitment. Customer should ship at least [REDACTED] Priority Mail packages annually, to include Contract Packages plus Customer's other Priority Mail packages. If the volume falls below the annual commitment for any Contract Year, the Postal Service, at its sole discretion, has the right to revert Customer to the most current Priority Mail Priority Mail Commercial Plus prices.
- G. Contract Prices. On the effective date of this Amendment, Customer will receive the following discounts off published Priority Mail Commercial Plus prices throughout the term of the Contract, pursuant to Table 1 below.

[REDACTED]

[REDACTED]

IN WITNESS WHEREOF, the Parties hereto have caused this amendment to be duly executed as of the later date below:

UNITED STATES POSTAL SERVICE

Signed by:  _____

Printed Name: Cliff Rucker

Title: Senior Vice President, Sales and Customer Relations

Date: 6/30/17

ATTACHMENT B
FINANCIAL CERTIFICATION

Certification of Prices for Amendment to Priority Mail Contract 237

I, Steven R. Phelps, Manager, Regulatory Reporting and Cost Analysis, Finance Department, am familiar with the prices and terms for Amendment No. 2 to Priority Mail Contract 237. The amended prices and terms contained in this Contract were established by the Decision of the Governors of the United States Postal Service on the Establishment of Prices and Classifications for Domestic Competitive Agreements, Inbound International Competitive Agreements, and Other Non-Published Competitive Rates (Governors' Decision No. 11-6).

I hereby certify, based on the financial analysis provided herewith, that the amended prices are in compliance with 39 U.S.C § 3633 (a)(1), (2), and (3). They are expected to cover attributable costs. There should therefore be no subsidization of competitive products by market dominant products. The amended contract should not impair the ability of competitive products on the whole to cover an appropriate share of institutional costs.

**Steven
Phelps**

Digitally signed by Steven Phelps
DN: cn=Steven Phelps, o, ou,
email=steven.r.phelps@usps.gov
, c=US
Date: 2017.07.19 17:35:46 -04'00'

Steven R. Phelps